

HOUSE BILL NO. 583

INTRODUCED BY FLEMING, FRENCH, BLACK, BRUEGGEMAN, GETZ, TAYLOR, GRINDE,
STEINBEISSER, WARBURTON, MACDONALD

A BILL FOR AN ACT ENTITLED: "AN ACT SUPPORTING A NETWORK OF ~~SIX~~ FOUR ESTABLISHED
MONTANA FOOD AND AGRICULTURAL DEVELOPMENT CENTERS ADMINISTERED BY THE DEPARTMENT
OF AGRICULTURE; ~~PROVIDING A FUND TRANSFER;~~ PROVIDING A FUND TRANSFER; PROVIDING AN
APPROPRIATION; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, the lack of infrastructure in Montana for adding value to the state's agricultural products is
a primary barrier to our state capturing a significant portion of the \$3 billion that Montanans spend each year on
food; and

WHEREAS, this lack of infrastructure is inhibiting the ability of farmers and ranchers and other agricultural
entrepreneurs to serve markets for food, farm-based renewable energy, and other value-added agricultural
markets, both within the state and outside the state; and

WHEREAS, producing for local markets on a family or community scale can reconnect Montana's rural
and urban economies and enhance stewardship of Montana's natural and human resources; and

WHEREAS, consumer demand for Montana-based, sustainably grown, nutritious, and affordable food
in Montana exceeds supply; and

WHEREAS, farm-derived renewable energy and biofuels hold promise to increase the profitability of
family farm and ranch operations, promote domestic energy production, and lessen our dependence on foreign
sources of energy; and

WHEREAS, previous investment and capacity built in the state for supporting value-added agricultural
development needs to be maintained; and

WHEREAS, increasing technical assistance to Montana's food and agricultural entrepreneurs can help
keep more of the state's food, agricultural, and energy dollars circulating in Montana communities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Montana food and agricultural development program -- definition. (1)**

There is a program administered by the department to promote Montana food and agricultural development. The program must fund ~~six~~ FOUR Montana food and agricultural development centers that were established before January 1, 2009, and that are charged with:

(a) developing Montana's capacity to produce food and value-added agricultural products, including farm-derived renewable energy; and

(b) providing technical assistance and other services to community-based food, agriculture, and farm-derived renewable energy entrepreneurs.

(2) Technical assistance includes but is not limited to business assistance, product development, marketing, nutritional analysis and labeling, education, assistance with food safety regulation compliance, training to educate business professionals and entrepreneurs on industry dynamics and technology of specific bioproduct industries, and evaluating existing and developing technologies.

(3) Each center must be a certified regional development corporation or a nonprofit organization that serves at least a four-county region.

(4) As used in this section, "farm-derived renewable energy" means renewable energy produced from products developed by farmers and ranchers, as well as entrepreneurs, using Montana farm and ranch products.

~~NEW SECTION. SECTION 2. FUND TRANSFER. THERE IS TRANSFERRED \$740,000 FROM THE RESEARCH AND COMMERCIALIZATION STATE SPECIAL REVENUE ACCOUNT ESTABLISHED IN 90-3-1002 TO THE STATE GENERAL FUND.~~

NEW SECTION. SECTION 2. FUND TRANSFER. THERE IS TRANSFERRED \$250,000 FROM THE RESEARCH AND COMMERCIALIZATION STATE SPECIAL REVENUE ACCOUNT ESTABLISHED IN 90-3-1002 TO THE STATE GENERAL FUND IN EACH YEAR OF THE BIENNIUM, TO BE SPENT IN ACCORDANCE WITH 90-3-1003(4).

NEW SECTION. Section 3. Appropriation. The following amounts are appropriated to the department of agriculture from the ~~general fund~~ AMOUNT ALLOCATED IN 15-35-108(9)(B)(II) TO THE GROWTH THROUGH AGRICULTURE PROGRAM PROVIDED FOR IN TITLE 90, CHAPTER 9, GENERAL FUND for each of the fiscal years 2010 and 2011 to establish and administer the Montana food and agricultural development program as provided in [section 1]:

	FY 2010	FY 2011
Six <u>FOUR</u> centers, operation	\$360,000	\$360,000

1		<u>\$240,000</u>	<u>\$240,000</u>
2	Administration	\$10,000	\$10,000
3	Total	<u>\$370,000</u>	<u>\$370,000</u>
4		<u>\$250,000</u>	<u>\$250,000</u>

6 NEW SECTION. **Section 4. Codification instruction.** [Section 1] is intended to be codified as an
7 integral part of Title 80, chapter 11, and the provisions of Title 80, chapter 11, apply to [section 1].

9 COORDINATION SECTION. SECTION 5. COORDINATION INSTRUCTION. IF [THIS ACT] IS PASSED AND
10 APPROVED AND HOUSE BILL NO. 123 FAILS, THEN THE FUND TRANSFER PROVIDED FOR IN [SECTION 2 OF THIS ACT] FOR
11 FISCAL YEAR 2011 IS VOID.

13 NEW SECTION. **Section 6. Effective date.** [This act] is effective July 1, 2009.

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